

Message Text

UNCLASSIFIED

PAGE 01 MANILA 04789 061057Z

17

ACTION EB-07

INFO OCT-01 EA-09 ISO-00 AID-05 CIAE-00 FRB-01 INR-07

NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06 SP-02 CIEP-02

LAB-04 SIL-01 OMB-01 INT-05 GSA-02 EUR-12 /084 W

----- 073827

R 060840Z APR 76

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 3785

INFO USDOC WASHDC

UNCLAS MANILA 4789

USDOC FOR MAJOR PROJECT DIVISION

E.O. 11652: N/A

TAGS: EIND, EMIN, RP

SUBJ: PHILIPPINE COPPER SMELTER PROJECT

REF: MANILA 4366

1. THE PROPOSED PHILIPPINE SMELTER CORPORATION HAS BEEN NAMED THE COPPER SMELTER CORPORATION OF THE PHILIPPINES (CSCP). PRESENT OFFICERS ARE FROM MMIC AND LEPANTO AND THE PROJECT STEERING COMMITTEE IS COMPOSED OF MMIC AND LEPANTO MEN WITH REPRESENTATIVES FROM BANCOM DEVELOPMENT CORPORATIO, THE PROJECT'S FINANCIAL CONSULTANT AND INVESTMENT BANKER, AND FROM THE BOI. REPRESENTATIVES OF THE OTHER PHILIPPINE COPPER MINING COMPANIES ARE MEETING WITH THIS STEERING COMMITTEE TO DISCUSS THE EXPANDED MEMBERSHIP IN THE PROJECT.

2. IF THE PROJECT GOES AHEAD AS PLANNED, THE SMELTER WILL BE BASED ON THE FLASH SMELTING PROCESS DEVELOPED BY OUTOKUMPU OY IN FINLAND. THE FLASH SMELTER WILL BE COMBINED WITH CONVERTERS USING THE TECHNOLOGY OF METALLURGIC HOBOKEN-OVERPELT OF BELGIUM AND A REFINERY TECHNOLOGY FROM THE OLEN PLANT OF HOBOKEN. THE SULFURIC ACID PLANT TECHNOLOGY WILL BE PROVIDED FROM GERMANY.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 MANILA 04789 061057Z

USING THE PROCESS TECHNOLOGY LICENSED BY OUTOKUMPU,

HOBOKEN, AND OTHERS, A CONSORTIUM OF TWO CONTRACTING COMPANIES, DAVY POWERGAS LTD. OF THE U.K. AND SYBETRA S.A. OF BELGIUM, WORKING IN ASSOCIATION WITH THE BELGIUM ENGINEERING COMPANY, MEDIM, WILL DESIGN, SUPPLY, AND CONSTRUCT THE FACILITIES. EQUIPMENT WILL BE SUPPLIED FROM A NUMBER OF EUROPEAN COUNTRIES THROUGH THE CONSORTIUM AND FROM JAPAN THROUGH MARUBENI CORPORATION. CIVIL WORKS, SOME FABRICATION, AND ERECTION AT SITE, WILL BE CARRIED OUT BY FILIPINO COMPANIES UNDER SUPERVISION OF THE CONSORTIUM.

3. THE PROJECT DESIGN IS BEING REVIEWED BY REPRESENTATIVES OF THE VARIOUS COPPER COMPANIES THAT HAVE BEEN ASKED TO PARTICIPATE IN THE CSCP PROJECT. WE UNDERSTAND THAT THIS PHILIPPINE CONSORTIUM IS NOT BEING REPRESENTED BY INDEPENDENT ENGINEERING CONSULTANTS WITH EXPERTISE IN SMELTER AND REFINERY TECHNOLOGY IN ITS NEGOTIATIONS WITH THE DAVY/SYBETRA GROUP. WE FEEL THE OVERALL CONCEPTUALIZATION OF THE PROJECT CANNOT CHANGE TOO MUCH, DUE TO THE PERSONALITIES AND PRESSURES INVOLVED. HOWEVER, SOME OF THE NEWLY INVOLVED PEOPLE MIGHT BE INDUCED TO LOOK ASKANCE AT THE MMIC/LEPANTO-DAVY/SYBETRA APPROACH TO THE PROJECT AND ASK TO CONSIDER OTHER ALTERNATIVES IF THEIR MONEY IS GOING TO BE ON THE LINE. WHILE WE CANNOT RECOMMEND US FIRMS EXPEND A GREAT DEAL OF TIME AND MONEY INVESTIGATING THIS PROJECT, INTERESTED AMERICAN FIRMS MAY WISH TO CONSIDER THIS PROJECT IN THAT LIGHT. ENQUIRIES MAY BE ADDRESSED TO:

A. AGAPITO KALINGKING, JR.
CHIEF ANALYST
METALS & MINING INDUSTRIES
4TH FLR., BOI
ORTIGAS BLDG., PASIG, RIZAL

B. ALFREDO VELAYO
EXECUTIVE VICE PRESIDENT
COPPER SMELTER CORP. OF THE PHILS.
C/O LEPANTO CONSOLIDATED MINING CO.
CHINA BANK BLDG., MAKATI RIZAL
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 MANILA 04789 061057Z

STULL

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COPPER, JOINT VENTURES, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 06 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MANILA04789
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760129-0128
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760493/aaaadbrs.tel
Line Count: 108
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 76 MANILA 4366
Review Action: RELEASED, APPROVED
Review Authority: MartinML
Review Comment: n/a
Review Content Flags:
Review Date: 07 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 JUN 2004 by SilvaL0>; APPROVED <26 JAN 2005 by MartinML>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PHILIPPINE COPPER SMELTER PROJECT
TAGS: EIND, EMIN, RP, COPPER SMELTER CORPORATION
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006